



State of Washington  
Department of Revenue  
Special Programs Division  
PO Box 47477  
Olympia, WA 98504-7477

## REQUIREMENTS TO BECOME A WASHINGTON CIGARETTE WHOLESALER

### Licensing:

Obtain a business license from the Department of Licensing (DOL) at (360) 664-1400 or on the Web at <http://www.dol.wa.gov>.

You will also need to:

1. Obtain a Cigarette Wholesalers License.
2. Obtain proper bonds.
3. Complete a Personal / Criminal History Statement.

### Cigarette Wholesalers License:

In addition to the regular business license, you must apply for a cigarette wholesaler's license. Application is made on the Master Application form. Cost is \$650 for the first location and is renewed annually.

There is also a cigarette wholesaler branch license that is required for each additional location. Cost is \$115.

Depending on how they operate, an agent or subjobber may apply for either a wholesaler license or a wholesaler branch license.

### Bonding:

Obtain the proper bonds from an insurance company. Bonding forms (REV 82 2060) are available from the Department of Licensing and the Department of Revenue (DOR).

- a. **Required - A \$5,000 Proper Performance Bond is required of every wholesaler.**
- b. **Optional – A Deferred Payment Bond** will allow you to take advantage of a 30-day deferral on the purchase of cigarette stamps. If you do not obtain this bond, you will be placed on "cash" basis, in which payment is made on the day of delivery.
- c. **Optional – An Unstamped Cigarette Bond** is required of all in-state wholesalers who will have cigarettes in inventory for longer than 72 hours that don't bear the Washington tax stamp (unstamped or other-state stamped cigarettes).

### Personal / Criminal History Statement:

Persons conducting business will need to complete this statement at time of initial licensing. Copies of the Statement are available from the Liquor Control Board's Web site at <http://www.liq.wa.gov/publications/700301.pdf>.

### Purchasing Cigarette Tax Stamps:

If you need to purchase Washington Cigarette Tax stamps, you will need to contact the Department of Revenue at (360) 664-0700. Payments for stamps are processed by Electronic Funds Transfer. You must complete an Electronic Funds Authorization form (REV 82 2078).

To affix the cigarette tax stamps to the packages, you will need cigarette tax stamping equipment. You should contact the Meyercord Company at:

The Meyercord Company  
Rudy Robles, Western Sales Representative  
6528 Greenleaf Ave., Suite 215  
Whittier, CA 90601-4144  
(562) 945-3626

### Reporting of Interstate and Tax-Exempt Sales of Cigarettes:

Interstate sales and tax exempt sales of cigarettes must be reported monthly to the Department of Revenue on form "Schedule C" (REV 82 2103).

### Reporting of Sales of Cigarettes Manufactured by Non-Participating Manufacturers (NPM):

As part of the Master Settlement Agreement between certain cigarette manufacturers and the State of Washington, the Department of Revenue is required to compile information about cigarettes and roll-your-own tobacco sold in Washington. These sales must be reported monthly on the NPM Reporting form (REV 82 2107).

### Sales to Indians and Indian Tribes:

Please see information on page two of this form.

### Shipments of Unstamped Cigarettes:

Pre-notification to the Washington State Liquor Control Board is required for all shipments of unstamped cigarettes in Washington unless delivery is in the licensed and bonded cigarette wholesaler's own vehicle. Obtain pre-notification forms from the Liquor Control Board at (360) 586-0263. Request Form LIQ 662-61.

### Applicable Laws and Rules:

Please see information on page two of this form.

# REQUIREMENTS FOR STATE TAX-EXEMPT CIGARETTE SALES TO INDIAN AND INDIAN TRIBES

## Licensing and Bonding:

Complete all steps to become a Washington licensed and bonded cigarette wholesaler.

## Approval Prior to Delivery:

For each delivery order for tax-exempt cigarettes from an Indian retailer, the wholesaler must obtain approval **in advance of tax exempt stamping and delivery**. The Department of Revenue will verify that the number of cartons to be sold is within the annual allocation of tax-exempt cigarettes available to that tribe or Indian retailer. The Department of Revenue will also verify that the retailer is authorized by the tribe to participate in the tribe's allocation process.

## Stamps:

**Cigarettes sold to Indian and Indian Tribes must bear a Washington cigarette stamp.** Cigarettes sold to non-Indian purchasers by Indian retailers must have the Washington tax-paid stamp affixed. Cigarettes sold to Indian purchasers by Indian retailers must have Washington's tax-exempt stamp affixed. Tax-exempt stamps are available from the Department of Revenue at no cost.

A stamping allowance is paid to cigarette wholesalers for the tax-exempt stamps they have affixed. Wholesalers must file the report of exempt stamp sales (REV 82 2104).

Sales to Indian retailers beyond their annual cigarette allocation must bear the Washington cigarette tax paid stamp.

## Delivery:

Tax-exempt cigarette sales to Indian retailers must be delivered by a bonded carrier or in the wholesaler's own vehicle to the Indian reservation. Delivery at the wholesaler's dock or to any other off-reservation location is prohibited.

## Reports Required:

Sales of tax-exempt cigarettes must be reported monthly to the Department of Revenue on Schedule C (REV 82 2103).

## Indian Tribes with Cigarette Tax Contracts

Under RCW 43.06.450, Indian Tribes may contract with the state to enact a Tribal cigarette tax in lieu of all state cigarette taxes and state and local sales and use taxes. Cigarette tax contracts shall provide that all cigarettes possessed or sold by a retailer shall bear a taxable state or tribal cigarette stamp. For more information on sales to Tribes that have signed a Cigarette Tax Contract, please contact the Department of Revenue.

## Applicable Laws & Rules

Chapter 82.24 RCW – Tax on Cigarettes

Chapter 82.26 RCW – Tax on Tobacco Products

Chapter 70.157 RCW – National Uniform Tobacco Settlement

WAC 458-20-185 – Tax on Tobacco Products

WAC 458-20-186 – Tax on Cigarettes

WAC 458-20-186 – Wholesale and Retail Cigarette Vendor Licenses

WAC 458-20-192 – Indian & Indian Country

WAC 458-20-264 – National Uniform Tobacco Settlement

## How to Contact us:

You may access laws, rules, and forms on our Department of Revenue home page at <http://dor.wa.gov>. The link to the forms is: [http://dor.wa.gov/content/forms/forms\\_cig.asp](http://dor.wa.gov/content/forms/forms_cig.asp)

If you have additional questions, please call (360) 664-0700, or write to:

Department of Revenue  
Special Programs Division  
Cigarette Tax Program  
PO Box 47477  
Olympia WA 98504-7477

For tax assistance visit <http://dor.wa.gov> or call 1-800-647-7706. To inquire about the availability of this document in an alternate format for the visually impaired, please call (360) 486-2342. Teletype (TTY) users may call (800) 451-7985.